

Table 53a

Influence of current tax policy on IT-based innovation for innovators, by selected company characteristics: 2001

(Frequency)

Characteristic	Total	Incentive/deterrent			Nonresponse
		Incentive	Deterrent	Neither	
Innovators ¹	34,300	5,000	5,600	22,100	1,700
IT.....	6,900	800	1,300	4,600	300
Manufacturing.....	1,500	S	300	1,000	S
Communication.....	1,200	S	200	800	S
Computer related services.....	4,300	500	800	2,800	S
Non-IT.....	27,400	4,300	4,200	17,500	1,400
Manufacturing.....	15,300	S	S	9,900	S
Transportation & public utilities.....	3,700	S	700	2,300	S
Finance, insurance & real estate.....	6,900	1,000	900	4,400	S
Engineering & AAB services.....	1,500	300	200	900	S
By revenue size					
\$2.5M to \$4.9M.....	11,400	2,100	1,700	6,800	800
\$5M to \$9.9M.....	8,100	1,200	1,200	5,300	S
\$10M to \$24.9M.....	7,700	1,200	1,500	4,800	S
\$25M to \$50M.....	3,500	S	S	2,400	S
Above \$50M.....	3,700	S	500	2,800	S

¹ To be classified as an innovator, the company had to indicate that it had developed a product or process in the past 12 months or believed it would develop a product or process in the next 12 months as a result of IT-based innovation. The survey was conducted during the period July 2001–April 2002.

KEY: IT=information technology; AAB=accounting, auditing, bookkeeping; S=suppressed for reasons of reliability due to receiving less than 20 responses

NOTES: Responses are to question 16f: "Do you consider current tax policy as an incentive, a deterrent, or neither an incentive nor deterrent to IT-based innovation?" This question was only asked of innovators. Table excludes 2 volunteered responses of "both", representing less than 100 companies. Total nonresponse consists of item nonresponse and don't know responses.

IT is defined as the hardware and software that support the production or use of computer-based information systems, the infrastructure necessary to access such information systems, or data processing services. Companies are classified as IT or Non-IT based on their 4-digit SIC number. IT Manufacturing includes companies with SICs of 3571-3579, 3651, 3661-3679, 3895, 3823-3826. IT Communication includes companies with SICs of 4812-4822, 4832, 4833, 4841-4899. IT Computer related services includes companies with SICs of 7371-7379. Non-IT Manufacturing includes companies with SICs of 2011-3569, 3581-3648, 3652, 3691-3694, 3699-3822, 3827-3999. Non-IT Transportation & public utilities includes companies with SICs of 4011-4231, 4412-4789, 4911-4971. Non-IT Finance, insurance & real estate includes companies with SICs of 6011-6036, 6081-6153, 6159, 6162-6799. Non-IT Engineering & AAB services includes companies with SICs of 8711, 8721.

SOURCE: National Science Foundation, 2001 Information Technology Innovation Survey.